

DRAFT MINUTES
EDC REGULAR MEETING
JULY 28, 2016

PRESENT

Joanne Minieri, Chair
Grant Hendricks, Vice Chairman
Anthony Giordano, Secretary
Kevin Harvey, Member

EXCUSED ABSENCE

Peter Zarcone, Treasurer
Gregory T. Casamento, Member
Sondra Cochran, Member

ALSO PRESENT

Anthony J. Catapano, Deputy Executive Director
Kelly Morris, Suffolk County IDA Deputy Executive Director
John McNally, Suffolk County IDA Associate Director Marketing & Outreach
Daryl Leonette, Suffolk County IDA Executive Assistant
Regina Halliday, Suffolk County IDA Bookkeeper
William Wexler, Agency Counsel
M. Cornelia Cahill, Partner, Barclay Damon LLP
Barry Carrigan, Esq., Nixon Peabody LLP
Andrew Komaromi, Esq., Harris Beach LLP
Jake Mendlinger, Zimmerman/Edelson, Inc.
James Madore, Reporter, Newsday
Adina Genn, Long Island Business News
Theresa Ward, Suffolk County Department of Economic Development & Planning
Regina Zara, Suffolk County Department of Economic Development & Planning
Jeffrey Kryjak, Suffolk County Department of Economic Development & Planning
Christine DeLisi, Aide to Presiding Officer DuWayne Gregory

The Regular Meeting of the Suffolk County Economic Development Corporation held in Media Room #182 in the lower level of the H. Lee Dennison Building, 100 Veterans Memorial Highway, Hauppauge, NY was called to order at 1:55 p.m.

Ms. Minieri asked Theresa Ward, Chief Deputy Commissioner, Economic Development & Planning to proceed with the Suffolk County Economic Development Corporation Meeting.

PUBLIC COMMENT

No comments were received for the Public Comment portion of the Suffolk County Economic Development Corporation.

After further discussion and;

Upon a motion by Ms. Minieri, seconded by Mr. Hendricks, it was:

RESOLVED, to end the Public Comment portion of the meeting of the Suffolk County Economic Development Corporation.

Unanimously carried 4/0.

First Generation TOD Retail Loan Program: Presentation by Theresa Ward and Kevin Gremse of National Development Council.

Ms. Ward introduced Kevin Gremse, National Development Council, to Board Members. Ms. Ward stated the Transit-Oriented Development Retail Loan Program is a start-up program for small retailers interested in first generation retail space. Currently, few resources exist to help retailers and landlords with the high costs associated with fitting-out these spaces. The EDC has been working with Kevin Gremse to develop small loan program to offer these businesses. Mr. Gremse stated that National Development Council is a national non-profit that works with municipalities to help promote responsible economic development. Mr. Gremse stated that ground floor spaces are difficult to occupy and loans are difficult to get for small business owners. Mr. Gremse indicated the loan amounts contemplated by this program will vary between \$20,000 - \$75,000 and be utilized for start-up costs like equipment and working capital. The interest rate will be 2 – 3% and loan terms between 5-10 years. Mr. Gremse said the proposed cap on the program would be \$300,000. Mr. Gremse indicated the program is permissible under Section 14-11 and is within authority of the EDC. Mr. Gremse stated these loans will not replace traditional financing and, while start-up businesses will be considered, most candidates are likely to be second or third operations, so their track record will be available. The loans will mostly be character loans. Mr. Gremse stated that he has had discussions with Empire State Development and several banks and he thinks the program will be well received throughout the County.

Mr. Hendricks asked if the landlord will be tied to the loan, to which Mr. Gremse indicated yes. Mr. Hendricks asked if they have identified any communities. Mr. Gremse stated yes, communities like Wyandanch and Patchogue would appear to be prime candidates and have

expressed interest. Mr. Harvey asked if the landlords will participate as they are not big loans. Ms. Ward stated we think they'll participate as they will benefit from the investment.

SCEDC MINUTES -3- JULY 28, 2016

Ms. Minieri stated you have to invite the small business owner in the area and this makes it easier by filling a funding gap for small business. The owners won't have to take on as much of a burden to get back into business. Ms. Minieri indicated this may bring the small business owner back in. Mr. Wexler asked if we are going to receive a formal written request to show administrative costs. Mr. Wexler stated that the EDC would need to account for every dollar. Mr. Wexler asked do the loan payments go back to the EDC. Mr. Gremse replied yes it is a revolving loan fund. Mr. Komaromi stated this will be a standard application and Agency Counsel will review it. Mr. Wexler asked what if they default on the loan and Mr. Gremse responded the landlord guarantees. Mr. Komaromi stated it would be the LDC's responsibility.

After further discussion and;

Upon a motion by Mr. Hendricks, seconded by Mr. Giordano, it was:

RESOLVED, to approve

Unanimously carried 4/0.

Minutes

The Minutes of the June 23, 2016 Economic Development Corporation Meeting were accepted.

There being no further business and;

Upon a motion by Ms. Minieri, seconded by Mr. Hendricks, it was:

RESOLVED, to adjourn the Regular Meeting of the Suffolk County Economic Development Corporation.

Unanimously carried 4/0.

The Meeting adjourned at 2:10 p.m.

The next Meeting of the Suffolk County Economic Development Corporation is tentatively scheduled for August 25, 2016.